REMARKS

Applicant has reviewed the comments and rejections set forth by the

Examiner in the Office Action dated April 29, 2005 and respectfully respond with the

amendments above and the following remarks. Claims 1-7, 9-15 and 17-23 are

pending in the present case. Claims 1-7, 9-15 and 17-23 are amended herein.

Claims 8, 16 and 24 are cancelled herein. Applicant respectfully requests

reconsideration in view of the above amendments and the arguments set forth

below.

CLAIM REJECTIONS

REJECTIONS UNDER 35 USC 101

Claims 1-8 are rejected under 35 USC 101. Claims 1-7 are amended

herein. Claim 8 is cancelled herein. Thus, Applicants respectfully assert that its

rejection under 35 USC 101 is moot. Claims 2-7 depend on independent Claim 1,

which as amended herein reads as shown below.

> 1.   A <u>computer implemented</u> method for determining
> a preference policy for a market, said method
> comprising:
>   selecting characteristics of said market, wherein
> said market comprises an auction market;
>   selecting a relevant bidding model;
>   estimating a structure of said market;
>   predicting a bidding behavior;
>   predicting a first outcome of said market; and
>   evaluating said first outcome of said market,
> wherein said evaluating comprises:
>   selecting a best preference policy from a
> plurality of candidate preference policies, wherein said
> best preference policy comprises the candidate
> preference policy within a plurality having the highest
> ranking; and
>   outputting said best preference policy.

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Where an invention, which incorporates an algorithm, taken as a whole produces a useful, concrete and tangible result, such inventions have been held by the courts to comply with 35 USC 101. State Street Bank & Trust Co. v. Signature Financial Group, Inc., 149 F.3d 1368, 1973; 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998). Inventions comprising computer implemented methods and processes have been held by the courts to, as a whole produce useful and concrete results. In re Toma, 197 USPQ (BNA) 852 (CCPA 1978).

As amended herein, Claims 1-7 recite a computer implemented method for determining a preference policy for a market. Applicants respectfully assert therefore that Clams 1-7 comply with 35 USC 101 in reciting statutory subject matter.

REJECTIONS UNDER 35 USC 103

Claims 1-24 are rejected under 35 USC 103(a) over U.S. Patent No. 6,021,398 to Ausubel (hereinafter "Ausubel") in view of U.S. Patent No. 6,415,270 to Rackson, et al. (hereinafter "Rackson"). Applicants have reviewed the references cited and respectfully assert they do not teach or suggest the embodiments of the present invention as recited in Claims 1-24, as amended herein, for the following rationale.

Claims 8, 16 and 24 are cancelled herein. Thus, Applicants respectfully assert that their rejection under 35 USC 103(a) is moot. Independent Claims 1, 9 and 17 are amended herein and Claims 2-7, 10-15 and 18-23 respectively depend thereon. As amended herein, independent Claim 1 reads as follows, with underlining added for emphasis:

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1.   A <u>computer implemented</u> method for determining
a preference policy for a market, said method
comprising:
        selecting characteristics of said market, wherein
said market comprises an auction market;
        selecting a relevant bidding model;
        estimating a structure of said market;
        predicting a bidding behavior;
        predicting a first outcome of said market; and
        evaluating said first outcome of said market,
<u>wherein said evaluating comprises:</u>
        <u>selecting a best preference policy from a</u>
<u>plurality of candidate preference policies, wherein said</u>
<u>best preference policy comprises the candidate</u>
<u>preference policy within a plurality having the highest</u>
<u>ranking; and</u>
        <u>outputting said best preference policy</u>.

Independent Claims 9 and 17 are amended after a similar fashion. As amended

herein, Claims 1-7, 9-15 and 17-23 recite selecting a preference policy for an auction

market.

Setting price preference policies in markets, particularly in auctions, can

improve the market outcome in favor of the policy setting market participant, and is

thus an important, perhaps crucial business consideration. Conventionally, these

decisions are made by auction participants on an ad hoc basis, sometimes with the

assistance of consultants operating themselves on a more or less ad hoc basis. A

high degree of uncertainty intrinsic in auction price preference policy related decision

making often precludes optimal outcomes, because the soundness of a particular

decision in a particular situation cannot be ascertained prior to observation of the

outcome (e.g., after the transaction has taken place). Therefore, the embodiments

recited in independent Claims 1, 9 and 17 and their respective dependent claims

have the advantage of reducing uncertainty and promoting sound market decision-

making.

        As Applicants understand the reference, Ausubel teaches a system and

method for auctions. Ausubel, col. 1, ll. 16-20 & 61-65. However, Ausubel does

not teach or suggest evaluating a market outcome by selecting a best preference

policy from among multiple candidate preference policies, wherein the best

preference policy comprises the candidate preference policy having the highest

ranking and/or outputting that best preference policy, as recited in independent

Claims 1, 9 and 17 and their respective dependent claims. Further, Applicants find

no teaching or suggestion directed towards preference policies therein.

        As Applicants understand the reference, Rackson teaches an internet based

auction system where users specify parameters of an item for sale and bidders

submit bids for the items. However, Rackson does not teach or suggest evaluating

a market outcome by selecting a best preference policy from among multiple

candidate preference policies, wherein the best preference policy comprises the

candidate preference policy having the highest ranking and/or outputting that best

preference policy, as recited in independent Claims 1, 9 and 17 and their respective

dependent claims. Further, Applicants find no teaching or suggestion directed

towards of preference policies therein.

        Finding no teaching or suggestion in either reference for selecting a best

preference policy from among multiple candidate preference policies, wherein the

best preference policy comprises the candidate preference policy having the

highest ranking and/or outputting that best preference policy as recited in

independent Claims 1, 9 and 17 and their respective dependent claims, Applicants

respectfully assert that, for at least this reason, Claims 1-7, 9-15 and 17-23 are not

rendered obvious by the references, in combination or separately. Moreover, as

Applicants find no teaching, suggestion, or discussion in either reference directed

towards setting preference policies, Applicants respectfully assert that there is no

motivation expressed or implied in either reference to combine their teachings to

suggest <u>selecting a best preference policy from among multiple candidate

preference policies, wherein the best preference policy comprises the candidate

preference policy having the highest ranking and/or outputting that best preference

policy</u> as recited in independent Claims 1, 9 and 17 and their respective dependent

claims. Thus, Applicants respectfully assert that, even combined, the references do

not teach or suggest the embodiments claimed herein and that therefore, Claims 1-

7, 9-15 and 17-23 are allowable under 35 USC §103(a).

CONCLUSION

By the rationale stated above, Applicants respectfully assert that Claims 1-6 are allowable under 35 USC § 101 and that Claims 1-7, 9-15 and 17-23 are allowable over the cited references under 35 USC § 103(a). Accordingly, Applicants respectfully request that the rejection of Claims 1-6 under 35 USC § 101 and of Claims 1-7, 9-15 and 17-23 under 35 USC § 103(a) be withdrawn and that Claims 1-7, 9-15 and 17-23 under 35 U.S.C. 103(a) be withdrawn and that Claims 1-3, 7, 15-17, and 19-21 be allowed.

Please charge deposit account No. 08-2025, for any unpaid fees.

Respectfully submitted,

WAGNER, MURABITO & HAO, LLP

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